

# Washington State Auditor's Office

## Audit Report

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### Foster Creek Conservation District Douglas County

Audit Period  
January 1, 1996 through December 31, 1998

Report No. 61316

Issue Date  
May 26, 2000



Washington \_\_\_\_\_  
*State Auditor*  
\_\_\_\_\_  
Brian Sonntag

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Douglas County  
January 1, 1996 through December 31, 1998**

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# Audit Report

## **Foster Creek Conservation District Douglas County January 1, 1996 through December 31, 1998**

### ***ABOUT THE AUDIT***

This report contains the results of our independent triennium audit of the Foster Creek Conservation District for the period January 1, 1996, through December 31, 1998.

In keeping with general auditing practices, we do not examine every portion of the District's financial activities during each audit. The areas examined were those representing the highest risk of noncompliance, misappropriation or misuse. We performed audit procedures to determine whether the District complied with applicable state laws and regulations and its own policies and procedures. Our work focused on specific areas that had potential for abuse or misuse of public resources.

### ***ABOUT THE DISTRICT***

Conservation districts are a subdivision of the state of Washington Conservation Commission. The function of these Districts is to preserve and conserve the natural resources of this state. The District primarily works with area farmers in recommending and establishing agricultural processes that would help maximize crop outputs while complying with continually changing laws affecting the environment.

The District's Board of Supervisors is responsible for oversight of the District. They appoint a Director who is responsible for the day-to-day operations of the District. This includes the management of the District's other two employees.

### ***RESULTS***

In those areas examined, the District complied with state laws and regulations and its own policies and procedures requirements. Our audit placed a special emphasis on the receipts and disbursements of the District.

We thank District officials and staff for their assistance and cooperation during the audit.

# Report on Compliance with State Laws and Regulations

## **Foster Creek Conservation District Douglas County January 1, 1996 through December 31, 1998**

Board of Supervisors  
Foster Creek Conservation District  
Waterville, Washington

As required by *Revised Code of Washington* (RCW) 43.09.260, we have examined the financial affairs of the Foster Creek Conservation District, Douglas County, Washington, for the period January 1, 1996, through December 31, 1998. Our examination included inquiries regarding the District's financial condition and resources, and accuracy of accounts and reports.

We also performed tests to determine if the District complied with the *Constitution of the State of Washington*, laws of the state, District ordinances and orders, and the requirements of our Office. Compliance, and establishing internal controls to ensure compliance, is the responsibility of the District's management. Our responsibility is to make a reasonable effort to identify significant instances of noncompliance and internal control weaknesses and report those to District management and the Attorney General.

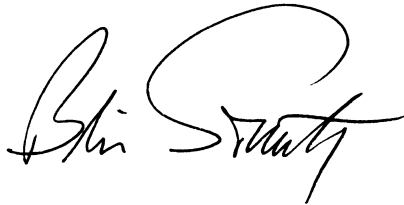
In keeping with general auditing practices, we did not examine every portion of the District's financial activities. The primary areas examined were those representing the highest risk of noncompliance, misappropriation or misuse. Other areas are reviewed on a rotating basis over several years. The following areas were examined during this period:

- Cash receipts
- Cash disbursements
- Payroll
- Conflict of interest

With respect to the areas we examined, the District complied with the laws and regulations referred to above.

In addition, the District has established internal controls that reduce the risk of noncompliance with laws and regulations.

This report is intended for the information of management and the Board of Supervisors and to meet our statutory reporting obligations. It also serves to disseminate information to the public as a reporting tool to help citizens assess government operations. Accordingly, this report is a matter of public record and its distribution is not limited.

A handwritten signature in black ink, appearing to read "Brian Sonntag". The signature is fluid and cursive, with the first name "Brian" and last name "Sonntag" clearly distinguishable.

**BRIAN SONNTAG, CGFM**  
STATE AUDITOR

January 27, 2000

# Independent Auditor's Report on Financial Statements

## **Foster Creek Conservation District Douglas County January 1, 1996 through December 31, 1998**

Board of Supervisors  
Foster Creek Conservation District  
Waterville, Washington

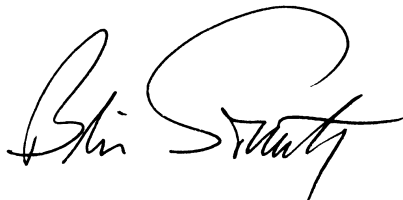
We have audited the accompanying financial statements of the Foster Creek Conservation District, Douglas County, Washington, for the years ended December 31, 1998, 1997 and 1996. These financial statements are the responsibility of the District's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As described in Note 1 to the financial statements, the District prepares its financial statements on the cash basis of accounting that demonstrates compliance with Washington State statutes and the *Budgeting, Accounting and Reporting System* (BARS) manual prescribed by the State Auditor, which is a comprehensive basis of accounting other than generally accepted accounting principles.

In our opinion, the financial statements referred to above present fairly, in all material respects, the recognized revenues and expenditures of the funds of the Foster Creek Conservation District for the years ended December 31, 1998, 1997 and 1996, on the cash basis of accounting described in Note 1.

Our audit was performed for the purpose of forming an opinion on the financial statements taken as a whole. The accompanying Schedules of State and Local Financial Assistance are presented for purposes of additional analysis. These schedules are not a required part of the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, is fairly presented, in all material respects, in relation to the financial statements taken as a whole.



**BRIAN SONNTAG, CGFM**  
STATE AUDITOR

January 27, 2000

# Financial Statements

## **Foster Creek Conservation District Douglas County January 1, 1996 through December 31, 1998**

### ***FINANCIAL STATEMENTS***

Resources and Uses Arising From Cash Transactions – 1998  
Resources and Uses Arising From Cash Transactions – 1997  
Resources and Uses Arising From Cash Transactions – 1996  
Notes to Financial Statements – 1998  
Notes to Financial Statements – 1997  
Notes to Financial Statements – 1996

### ***ADDITIONAL INFORMATION***

Schedule of State and Local Financial Assistance – 1998  
Schedule of State and Local Financial Assistance – 1997  
Schedule of State and Local Financial Assistance – 1996